

as a pledge, beyond the loan which has been granted. Thus if a loan of £100 be made, and a security worth £110 is mortgaged against it, the difference of <£10 is the margin required by the lender as a protection against the value of the security descending below the amount of the advance.

The official list of the Stock Exchange contains the record of some of the prices at which bargains have been completed. Brokers issue lists of their own to their clients, with similar information; and a third mode of imparting information about prices from the Exchange, in a form which is much fuller and more expeditious than the two former methods, is that of the medium of the tape machine of the Exchange Telegraph. As each transaction is effected within the House the price is indicated on outwinding slips of paper tape. (*See Note C, p. 149.*)

NOTE A.

The first and second of these days are respectively named, in the Stock Exchange rules, "Contango Day," and "Ticket Day," though they are customarily described as Contango or Making-up Day, and Ticket or Name Day. Upon the first day, those who desire to postpone the settlement of bargains arrange to continue or carry them over to the succeeding Account. The second day derives its name from the fact that, where a transaction is intended to be at once completed (by accepting delivery of securities and making payment) a ticket is passed from the purchasing broker (on behalf of his client) to the jobber from whom the stocks or shares have been bought, on which particulars are recorded of the description and amount of the security purchased, the price agreed upon, the name of the member who issues the ticket and who will effect the payment, the name of the member to whom the ticket is passed or handed; and, where the security is one which requires a transfer by Deed, the name of the buying client in which the transfer is to be executed. The ticket is thus a demand for due delivery of the securities which have been bought.

NOTE B.

Although I adhere to this phrase, I am conscious of a certain departure from customary usage. I am here considering a security which is purchased as a permanent source of fixed income. I thus employ the expression in a manner analogous to the economic term "value in use," which itself may be thus defined. > In a community, let us assume that all the members, except one, are gifted with excellent sight ; one member alone has defective vision, but happens to possess a pair of spectacles ; the "value in exchange " of the spectacles is zero, since the remaining members find no service for them, and do not, therefore, desire their acquisition ; but their " value in use" to the owner is virtually immeasurable.